

**Basin Study Work Group
Tuesday, January 7, 2013, 8:30-11:30 AM, Deschutes County DeAmrond Room
Draft Meeting Minutes**

ATTENDING

Suzanne Butterfield, Swalley Irrigation District
Danielle MacBain, GSI
Nancy Gilbert, US Fish and Wildlife Services
Joy Cooper, GSI
Mark Reinecke, Bryant, Lovlein and Jarvis (Avion)
Elmer McDaniels, Tumalo Irrigation District
Ken Rieck, Tumalo Irrigation District
Kyle Gorman, Oregon Water Resources Department
Mike Kasberger, Ochoco Irrigation District
Pamela Thalacker, Three Sisters Irrigation District
Tod Heisler, Deschutes River Conservancy
Ryan Houston, Upper Deschutes Watershed Council
Jason Gritzner, USDA Forest Service
Amy Stuart, Oregon Department of Fish and Wildlife
Dave Dunahay, Central Oregon Fly Fishers
Jeff Wieland, Upper Deschutes River Conservancy
Mike Tripp, Trout Unlimited
Tom Davis, Deschutes Reintroduction Network
Alan Unger, Deschutes County
Chris Gannon, Crooked River Watershed Council
Kate Fitzpatrick, Deschutes River Conservancy

Also present was:

Mary Orton, The Mary Orton Company, LLC (facilitator)

AGENDA

The group used the following agenda as a guide during their meeting:

1. Welcome
2. Check-In
3. Overview and approval of agenda
4. Update on Communications with Reclamation
5. Proposal to Bureau of Reclamation
6. Report on state funding
7. Reports from subgroups
8. Structure and decision-making
9. Next steps
10. Meeting evaluation'

Welcome, Check-In and Agenda

Suzanne convened the meeting and welcomed everyone. The group reviewed and agreed upon the agenda. The group discussed and agreed upon the following meeting norms: place your nametag

vertically when you'd like to speak; the group will use the red/yellow/green cards to indicate level of agreement; Mary will keep a parking lot for important issues to be addressed at a later date; people will be responsible for bringing their own agenda/handouts; and agreement to attribute comments in meeting minutes.

Update on communication with Reclamation

Suzanne reported that Adam, Tod, Amy, Suzanne and Steve met with Dawn Weidmeier and Doug DeFlitch from BOR December 17th. She referred people to Adam's meeting notes that were circulated prior to the meeting, and reviewed the following highlights:

- We will hear January 15 whether our letter of interest is accepted
- The Proposal should be a narrative describing need and purpose. Focus on the WHY, not the HOW. The next step, Plan of Study, will focus on the HOW.
- Local staff can review our Proposal.
- It is our study, we drive it, but BOR will be lead on climate change analysis.
- BOR cost share does not kick in during development of MOA. It does kick in during development of the Plan of Study
- 3 years is allowed, but 2 years is okay if this group prefers that timeframe.
- The planning horizon is flexible: somewhere within 20-50 years makes sense
- Some in-kind cost share might be possible, but the paperwork is daunting. Steve Johnson commented that we should still track time so we can represent the full effort. Tod suggested that we may want to try to claim in-kind cost share in some cases for discrete costs i.e. facilitation since last June. June is the start date they would consider for expended costs.
- If non-Federal cost share increases, don't count on increased Federal cost share.
- The Federal and cost-share partners manage the pots of money separately. The Plan of Study is created together. Then we decide how best to spend our cost share to get the work done and manage our own pot. As part of the Memorandum of Agreement and Plan of Study, we together agree on the study team. BOR contractors are HDR and CH2M Hill. BOR pays for their staff and consultants. BOR will definitely manage the climate change piece. BOR will appoint a person and we appoint a person to be co-study managers.
- We can use our own facilitation as desired.

Ryan commented that we should make sure the two pots/contractors talk to each other- the more we can think about running it as one team of contractors will be a lot more effective. Ideally we will find contractors that know how to work together. There will be one study team to implement the Plan of Study, although they will be under different contracts.

We discussed that we are presenting the full \$1.5 million ask in the proposal. Steve mentioned that BOR will need to help us estimate what some of their pieces (like climate change) will cost, but not to worry too much about the budget at this point because it's high-level. We will want to pay close attention to detail in co-designing the Plan of Study budget.

Proposal to Bureau of Reclamation

We will be notified January 15th on whether we are invited to submit a proposal. The proposal is due to Boise February 14th. It is fairly general, 20 pages maximum, and focused on the "why" not the "how." GSI will draft a proposal for the group to review and revise.

The following process/timeline was agreed-upon to provide input into the Proposal:

- GSI will produce a crosswalk that uses the old proposal as a starting point, and that identifies potential changes needed for the new proposal. There will be a BSWG technical **session January 16th from 10 am to 1 pm** to dive into the details and provide feedback to GSI so they can draft the Proposal. The crosswalk will be circulated ahead of time so those unable to attend can also submit comments.
- GSI will produce a 60-70% draft Proposal for review. BSWG will meet **January 27th from 1-4 PM** to review.
- Suzanne will check with BOR to see what the process for them to review it will be.

Kate will send out meeting confirmations with locations.

Kate will also circulate the examples of successful Proposals that BOR shared with us (including the 2010 DWA Proposal) so the group can see the level of detail that typically goes into the Proposals. This should put subgroups at ease that may have not yet answered all the questions they have to a fine level of detail. Suzanne reminded the group that our previous proposal was markedly smaller (\$), so we shouldn't lose sight that this Proposal should match the scale of the ask. Tod suggested asking BOR how much expectation we create with the proposed budget in the Proposal. We think we have a lot of ability to flex within this, but Danielle will double-check and confirm this.

Chris suggested that we occasionally hold meetings in Redmond or Madras to reflect the geographic diversity of the group, but the group felt that that was impractical since most people were from Bend. His suggestion to never start a meeting before 9 AM was well-received.

Update on State Funding

Steve reported that there was nothing new on the state funding front. Any efforts within the legislative session to strengthen the language between SB 839 and the Deschutes Basin Study won't be cemented by the time we submit the Proposal, so we won't have 100% assurance. We are continuing with the current approach of communicating with key people etc....Our Central Or delegation is totally up to speed on what we are asking for. While Deschutes and Willamette were specifically approved for eligibility in the bill, the dollar amount was not. The mechanics of funding and timing is the tricky part.

Reports from subgroups

Deschutes Subgroup (DWPI)

Kate reported that the group met December 12th to have Jennifer Johnson from BOR present the MODSIM modeling results from altered reservoir releases. Kate will send out meeting minutes and a copy of her presentation.

Instream Deschutes Group:

Ryan reported that the subgroup is preparing draft recommendations that they will forward on to this group. Specifically, what instream studies they need and how much they might cost, even if some of the detail is more related to Plan of Study.

Steve concurred that this is a good approach, but because of budget constraints, encouraged thinking of prioritization. Although he said that we should characterize the full need of what needs to be done in the Proposal. At a later point, this needs to get prioritized. Ryan mentioned the need to stay connected to the HCP process- even if the objectives are different, sharing studies/science where appropriate would be efficient. Adam reminded us that Proposal will focus on the *why* and that some of the detail of *how* will be more relevant for the Plan of Study. Danielle will check when the Plans of Study are due. Ostensibly, it is complete by the start date in the fall and the announcements come in May, so the Plan

of Study work period would be over the summer. The group agreed that it was a good idea to continue working on these issues no matter what the deadlines are. Suzanne said, "Don't get off the Tiger."

Mary checked in with the group on this goal. She understood that the group wants a long-term water management plan for the basin and that the Basin Study is a way to help with that. This group may want to continue working whether or not the proposal is accepted? Tod expressed that the DRC has strong interest in this as it is mission-critical. Alan Unger concurred, as Chair of the DWA.

Structure and Decision-Making

Mary warned that this conversation could be messy and non-linear and may be frustrating at times. Following the discussion, we should write any agreements into something that looks like ground rules. She referred to Attachment 2 for some ideas she put together on Structure and Decision-Making. These were a starting point for conversation and she is open to changing or even rejecting them.

The group considered the proposed goal statement for structure and decision-making: "A structure and process that allows for progress, is open and inclusive, and encourages diverse viewpoints." Suzanne included "and that is acceptable to Reclamation."

Steve suggested that we address the group's purpose before diving into structure and process. The group agreed on the following purpose statement:

This group's purpose is to obtain and manage a Basin Study with BOR toward the goal of developing and implementing a plan that addresses the long-term water needs of agriculture, municipalities, instream flow and others in the Upper Deschutes River Basin.

Kimberley added the caveat that we will be looking at effects of our actions on the lower Deschutes

The group reached consensus with all green cards.

Chris suggested that the Crooked River Watershed Council may not participate in the implementation phase.

The group returned to the process goal statement and proposed: "A structure and process that promotes completion of the basin study, is open and inclusive, and encourages diverse viewpoints." Steve suggested that Suzanne's concern that we acknowledge Reclamation should go in the parking lot and that we will work through technical and administrative mechanics during the MOA work etc..(ex. Role of cost share partners). The group came to consensus on the process goal statement with all green cards.

There was discussion about the structure of BSWG. The need for a steering committee was acknowledged and some concern that the size of this group was too big, but there was agreement that this group was able to have productive open conversations and that everybody here should be on the steering committee.

The group proposed the following: BSWG consists of a steering committee and technical subgroups. The steering committee has a defined membership that includes agriculture, municipal and instream interests.

Tom David suggested we not forget wildlife interests. Kimberley was comfortable with the language, but wanted to make sure the group was still envisioning balanced membership even though we omitted the word “balanced.”

The group also agreed to the following with consensus and all green cards.

BSWG steering committee meetings would be open to the public and would be noticed to subgroup members.

Because of limited time, the group agreed to jump to #6- membership and decision-making.

Suzanne noted that several cities are missing from the list, and there was a question whether COCO could represent these? The group will leave this to Betty/COCO and the Cities to decide. It was noted that Jefferson and Crook Counties are also missing, and that Oregon Counties has a water committee.

Kate made a proposal: Everyone on the current and suggested member list gets decision-making cards. One red card does not block consensus, although every effort would be made to reach consensus. Two red would block consensus. There would be no grouping of interests- each member would have decision-making authority. The group reached consensus on this with all green cards. Tod consented but added that he would rather have full consensus because dissent will come back to haunt us. He suggested a rigorous process for dealing with red cards and documentation of dissenting opinion. The group has a heavy responsibility to take dissenting opinions seriously and to try to reach common ground.

Mary agreed to write up all the decisions made on structure and decision-making for final approval.

Concerning media inquiries: Suzanne proposed that if a member is contacted by the press, you should speak for your organization, recommend talking to the BSWG Chair, provide the Chair's phone number, and notify the Chair. Once consensus is reached on something, you can represent that, but still refer to the Chair. Mary will write something up to clarify this as well.

The meeting was adjourned.